

CENTRAL INTELLIGENCE AGENCY
INFORMATION REPORT

REPORT

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COUNTRY Hungary

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SUBJECT Production at the Magyar Allami Vas
Acél és Gégyárak (MAVAG), Budapest

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1. The Magyar Allami Vas Acél és Gégyarak (MAVAG), Budapest, has been greatly enlarged since 1945, and the Hungarian government has allotted it the large sum of 36.5 million florints for its 1950 budget; 7.8 million is for the purchase of foreign machinery.
2. The work of the MAVAG factory is carefully watched by the Russian authorities. About 60 percent of its production goes to Russia: 35 percent as reparations in the form of locomotives, switch engines, and compressors; and 25 percent as exports in the form of locomotives, switch engines, pumps, agricultural machines, and tools.
3. Despite the efforts of the Ministry of Heavy Industry, and the sensational production figures given out by the Hungarian government, MAVAG did not attain its 1949 production quota.
4. The best technical workers were transferred from the factory to administrative work. These workers have been replaced with apprentices whose work capacity is one third of that of the skilled workers'. This has resulted in a large number of losses and damaged tools, and considerable delays. The laxness of discipline and the greatly increased number of workers on sick leave also lowers the production level. The work quotas which have been established have had a disastrous effect on production.
5. The lack of raw materials is felt especially in connection with the following items: forged parts for rear axles, which are made at MAVAG, Diosgyőr; shipments of steel and metal tubes produced by Mátyás Rakosi, Budapest; springs from Magyar Acélművek Budapest, which have not been delivered on time since January (no deliveries at all in May or June because RIFA has not made laminated plates for the springs); steel and ball bearings always arrive at the end of the month; and special alloys are completely lacking.

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25 YEAR RE-REVIEW

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6. Personnel:

| | | |
|--------------------------|-----------|--------------|
| As of 1 May 1950 | skilled | 8,700 |
| | unskilled | <u>2,300</u> |
| | total | 11,000 |
| As of the middle of 1949 | skilled | 8,000 |
| | unskilled | <u>1,200</u> |
| | total | 9,200 |

7. Production value and other sources of income for 1949 in millions of Corints.

| | |
|-----------------------------|------------|
| Shipping | 8.6 |
| Cast pieces | 6.1 |
| Switch engines | 37.0 |
| Machine tools | 3.4 |
| Irrigation installations | 19.0 |
| Pumps | 6.5 |
| Compressors | 7.6 |
| Girders for bridges | 44.6 |
| Locomotives and tenders | 280.3 |
| Spare parts for locomotives | 2.4 |
| Road-building machines | 2.9 |
| Agricultural machinery | 4.3 |
| Other machinery | 1.0 |
| Trucks | 20.8 |
| City buses | 31.8 |
| Spare parts | 11.7 |
| Magnets | 1.3 |
| Tractors | 2.3 |
| Cranes | 4.6 |
| Cast or poured pieces | 2.3 |
| Tools | 2.0 |
| Woodworking machines | 2.8 |
| Auxiliary products | 9.6 |
| Designing | 10.3 |
| Investments | 17.8 |
| Other products | 1.2 |
| Premiums for exports | <u>6.1</u> |
| | 543.8 |

8. Monthly production capacity:

| | |
|---------------------------------|----------|
| Broad-gauge locomotives | 19 units |
| Switch engines | 12 " |
| Chassis for buses and trucks 5' | 38 " |
| Trucks Lo 3510 | 3 " |
| Pumps | 49 " |
| Compressors | 3 " |
| Compressed-air tools | 192 " |
| Iron bridge girders | 600 tons |
| Mobile cranes | 60 " |
| Iron girders | 1,060 " |
| Big and tempered iron castings | 600 " |
| Heavy metal alloys | 50 " |
| Light metal alloys | 14 " |
| Forced pieces | 160 " |
| Stamped pieces | 400 " |

9. Organization of the shop:

The locomotive shop has 510 machines; 106 are new and of foreign make and 126 are outdated and to be replaced. The following items are made:

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GENERAL INTELLIGENCE AGENCY



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- Locomotives 0-5-0, broad gauge
- Locomotives 110, standard gauge
- Locomotives 70, narrow gauge
- Locomotives 50, 0V
- Roller presses type UM 12
- Boilers KEM type
- Parts for locomotive, Type 30, standard gauge
- " " " " , Bode Type, electric
- " " steam compressors and spare parts
- Storage tanks
- Forges
- Boiler plate

There are 2,500 workers.

10. The automobile construction shop has 298 machines; 80 are modern and of foreign make, and 37 are old ones which are to be replaced. The following items are made: trucks, automobile chassis, RM tractor motors, Lo 3500 fire engines, Lo 3500 trucks, spare parts for tractors and trucks, and gears. There are 760 workers.
 11. The pump factory has 104 machines; 16 are new. The following items are made: 25 cubic in. compressors, irrigation pumps, pumps for fire engines, pumps for mines, and storage tanks for water, gas, etc. There are 200 workers.
 12. The factory for bridge and crane parts has seven modern machines and seven machines in good repair. This factory makes parts for metal bridges, and dump cars. There are 770 workers.
 13. The tool factory has 201 machines; 43 are modern, 64 are in good condition, and the rest are to be replaced. Precision lathe parts and other parts are made. There are 500 workers.
 14. The foundries:
 - a. The iron foundry has 67 machines, 38 of which are modern. It makes parts for the various other shops.
 - b. The special alloys foundry has eight modern machines. It makes parts for the various other shops.
- There are 1,000 workers.
15. The maintenance shops have 50 machines, 11 of which are modern. There are 900 workers.
 16. Transportation facilities within the plant consists of two standard locomotives, 15 cars of 15-ton capacity, 18 tractors, and 15 electric trucks.
 17. Planned monthly production for 1950.

| | |
|----------------------|----------|
| Locomotives 0-50 | 10 units |
| Other locomotives | 3 " |
| Truck engines | 10 " |
| Iron girders | 570 tons |
| Cranes | 30 " |
| Bridges | 740 " |
| Pumps | 30 units |
| Compressors | 6 " |
| Air-compressor tools | 240 " |
| Castings | 600 tons |
| Light metal alloys | 20 " |
| Heavy metal alloys | 40 " |
| Chassis for trucks | 60 units |

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